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# DE News



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April 30, 2001 - Iowa Department of Education - Ted Stilwill, Director

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## From the Director's desk:

- ***Sorting out the budget confusion***
- ***Statewide budget impact***
- ***Budget impact on Education***

As budget negotiations continue, we are hearing and reading a lot of fragmented and conflicting information about the status of various appropriations.

Some degree of budget confusion is common during the final weeks and days of a legislative session, but is even more pronounced this year because the state must make serious budget cuts. This is very difficult for all state officials, who will need to set and agree on priorities -- making some unpopular choices along the way. Obviously, this is a challenging environment for school districts and community colleges who are uncertain as to funding support and must make personnel decisions based on incomplete information.

### ***Statewide impact***

All state agencies and the Iowans they serve will feel the impact from such dramatic cuts. The cuts below describe the most recent legislative proposal, cutting each appropriation subcommittee budget from current FY01 spending levels:

--Admin/regulation	-\$7.6 m (-8.7%)
--Ag & Natural Resources	-\$8.4 (-19.2%)
--Economic Development	-\$1.4 (-3.8%)
--Health/Human Rights	-\$7.0 (-7.7%)
--Human Services	-\$4.5 (-6%)
--Justice	-\$15.8 (-4.2%)
--Education	-\$59.3 (-6.1%)

You can see that many services covered by the appropriations subcommittees are facing large percentage cuts. These will impact actual services, such as regulatory protections and security protections in prisons, that Iowans need and depend on. And, as significant as the 6.1% education cut is, it's not as severe as the cuts in other services.

### ***Impact on Education***

Educators started the legislative session with high expectations, knowing that education issues -- including teacher quality and compensation -- were considered a priority and thus would receive anticipated increases.

Although education remains a priority, it now is subject to the same reductions **in current funding** as other appropriation areas. Even many of our budget items once considered to be held harmless from cuts (such as Phase III, school technology funds, child development and AEA funding), will receive big cuts from current spending levels under the proposed legislative budget. And, our \$40 million proposal for teacher quality will receive only minimal, if any, funding.

The current legislative budget recommendations a) protect state aid to schools with the increase set at \$52 million, b) fund teacher quality at \$8.8 million, and c) cut the current education expenditures by the amounts below:

--Early childhood	-\$1.0
--Nonpublic transportation	-\$0.5
--Education excellence	-\$2.0
--School technology	-\$20.0
--Class size/early intervention	no increase
--AEAs	-\$6.5
--Community colleges	-\$4.8

--Work study                               -\$2.5  
--Dept. of Ed. Administration   -\$0.4

## **Conclusion**

Negotiations continue, so you're still likely to hear various messages that change daily and, oftentimes, within hours. Critical issues, however, remain the same, including:

- There are no special funds for teacher salary increases. The \$8.8 million for "teacher compensation" funds only National Board Certification, induction and mentoring programs, evaluator training and \$1 million for team-based variable pay pilot projects. Of that amount, \$2.5 million is existing funding for National Board and induction programs.
- Overall funding for K-12 schools drops by \$40 million from anticipated funding levels (the single line item for school aid remains fully funded).
- Post-secondary education cuts to the community colleges and Regents will cause tuition increases, which will restrict access to educational and economic opportunities the students in our state need.
- All types of services to Iowans will be negatively affected.

## ***Today's conditions may be different from what you think!***

While most educators might believe that the passage of a \$40 million dollar teacher compensation proposal would be the only reason for a reduction in K-12 education funding, it is essential that we understand that the current proposals result in \$40 million dollars in lost funds without providing new funding for teacher salaries. Substantial cuts in funding for Regent's universities, community colleges, and student financial aid only deepen the education dilemma. Other sectors of government will be hit even harder.

This is a critical juncture for our state. The General Assembly and the Governor have to deal with a very difficult revenue situation. Services to all Iowans will be diminished, perhaps for multiple years. Which of these services should take priority? Which priorities will best position this state and its people for future growth? As educators we believe that we know the answer. If education would be the priority, would we just "hang on to what we've got" or use this as one of our last opportunities to move forward with substantial change?

The next few days will yield decisions that will affect the direction of our state in years to come.

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